

News

United States
Department
of Labor



Bureau of Labor Statistics

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MARCH 2004 CONSUMER PRICE INDEX DALLAS-FORT WORTH, TEXAS

Retail prices in the Dallas-Fort Worth metropolitan area rose 1.1 percent during February/March, after declining in the two previous bimonthly periods, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Acting Regional Commissioner Hal Corley stated that seven of the eight major categories registered increases, but higher prices for apparel and transportation were the leading factors in the rise. The Regional Commissioner noted that because these short-term changes are not adjusted for seasonal variation, consumers and businesses should be cautious in drawing conclusions about long-term retail price trends.

The Dallas-Fort Worth Consumer Price Index for All Urban Consumers (CPI-U) was 177.7 (1982-84=100) in March, 0.5 percent above a year ago. This was the slowest 12-month increase since the year ended in September 2002. Annual declines in the transportation and shelter components were primarily responsible for the slowdown. The index means that a typical market basket of goods and services that cost \$100.00 for Dallas-Fort Worth consumers in 1982-84, cost \$177.70 in March.

The apparel index increased 19.0 percent during February/March, accounting for nearly two-thirds of the total retail price change in Dallas-Fort Worth. While this marked the sharpest bimonthly increase since 1978, double-digit advances frequently occur at this time of year as new spring and summer lines are introduced. Higher prices were registered for many items, but most notably men's apparel, women's suits and separates, and women's footwear. Prior to this period, clothing prices had fallen in three of the last four bimonthly periods and as a result, the apparel index was up a modest 0.4 percent over the year.

Transportation costs rose 1.1 percent in February/March after increasing 1.5 percent in the previous bimonthly period. While higher prices were noted for used cars and trucks as well as airline fares, it was a 5.9-percent hike in gasoline costs that accounted for the majority of the gain. The average price of a gallon of gasoline stood at \$1.674 in March. Despite the latest bimonthly jump, gasoline costs were up just 0.9 percent over the year. The small 12-month advance in gasoline prices was more than offset by annual declines in new vehicle prices and airline fares and left total transportation costs 1.3 percent below a year ago.

Dallas-Fort Worth Consumer Price Index – March 2004 (Continued)

The indexes for medical care and food and beverages also made significant contributions to the overall CPI rise during February/March. Medical care prices rose 2.1 percent during the latest bimonthly period, the sharpest gain since February/March 2002 (3.3 percent). Higher prices for hospital services, professional services, and prescription drugs all played a role in the latest increase. Food and beverages prices rose 0.4 percent in February/March, the fourth consecutive bimonthly increase. Food at home (grocery items), food away from home (restaurant meals), and alcoholic beverages all contributed to the gain. Since March 2003, the food and beverages index rose 4.1 percent and the medical care index advanced 3.9 percent.

Higher prices were reported in three of the four remaining categories although their impact on the overall increase was smaller. Recreation costs rose 0.9 percent during February/March with higher prices for cable television and veterinary services providing the major impetus. The index for other goods and services rose 0.7 percent in the latest period bringing the annual increase to 4.6 percent, the largest 12-month advance among the major categories. Despite a dip in the cost of local telephone charges, the education and communication category registered a 0.3-percent increase during February/March. Over the year, education and communication costs were up 1.3 percent while recreation prices rose 3.0 percent.

Housing was the only category to register a decrease during February/March, dipping 0.2 percent and marking its fourth consecutive bimonthly decline. Lower costs for natural gas service and electricity were primarily responsible for the current downward movement. Prices for natural gas service dropped 21.8 percent while costs for electricity dipped 0.5 percent. Also contributing to the housing decline was a 1.0-percent decrease in the cost of household furnishings and operations. The decrease was aided by lower prices for floor coverings, linens, and appliances. In contrast, the shelter index rose 0.4 percent as higher homeowners' costs (owners' equivalent rent of a primary residence) more than offset a dip in renters' costs (rent of a primary residence). During the last twelve months, the overall housing index fell 1.5 percent -- the sharpest annual decrease since February 1987. Most of the components contributed to the yearly decline, but were led by a 32.0-percent drop in natural gas prices.